

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 84 be amended to read as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning labor
- 3 and safety and local government and to make an appropriation.
- 4 Page 60, between lines 1 and 2, begin a new paragraph and insert:
- 5 "SECTION 74. IC 36-7-14.5-12.5, AS AMENDED BY
- 6 P.L.146-2008, SECTION 742, IS AMENDED TO READ AS
- 7 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12.5. (a) This section
- 8 applies only to an authority in a county having a United States
- 9 government military base that is scheduled for closing or is completely
- 10 or partially inactive or closed.
- 11 (b) In order to accomplish the purposes set forth in section 11 of this
- 12 chapter, an authority may create an economic development area:
- 13 (1) by following the procedures set forth in IC 36-7-14-41 for the
- 14 establishment of an economic development area by a
- 15 redevelopment commission; and
- 16 (2) with the same effect as if the economic development area was
- 17 created by a redevelopment commission.
- 18 The area established under this section shall be established only in the
- 19 area where a United States government military base that is scheduled
- 20 for closing or is completely or partially inactive or closed is or was
- 21 located.
- 22 (c) In order to accomplish the purposes set forth in section 11 of this
- 23 chapter, an authority may do the following in a manner that serves an
- 24 economic development area created under this section:

- (1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.
- (2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.
- (3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.
- (4) Clear real property acquired for redevelopment purposes.
- (5) Repair and maintain structures acquired for redevelopment purposes.
- (6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.
- (7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.
- (8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:
 - (A) real property acquired or being acquired for redevelopment purposes; or
 - (B) any economic development area within the jurisdiction of the authority.
- (9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.
- (10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.
- (11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.
- (12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.
- (13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments

1 must be made in accordance with the merit system of the unit if
2 such a system exists.

3 (14) Prescribe the duties and regulate the compensation of
4 employees of the authority.

5 (15) Provide a pension and retirement system for employees of
6 the authority by using the public employees' retirement fund or a
7 retirement plan approved by the United States Department of
8 Housing and Urban Development.

9 (16) Discharge and appoint successors to employees of the
10 authority subject to subdivision (13).

11 (17) Rent offices for use of the department or authority, or accept
12 the use of offices furnished by the unit.

13 (18) Equip the offices of the authority with the necessary
14 furniture, furnishings, equipment, records, and supplies.

15 (19) Design, order, contract for, and construct, reconstruct,
16 improve, or renovate the following:

17 (A) Any local public improvement or structure that is
18 necessary for redevelopment purposes or economic
19 development within the corporate boundaries of the unit.

20 (B) Any structure that enhances development or economic
21 development.

22 (20) Contract for the construction, extension, or improvement of
23 pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

24 (21) Accept loans, grants, and other forms of financial assistance
25 from, or contract with, the federal government, the state
26 government, a municipal corporation, a special taxing district, a
27 foundation, or any other source.

28 (22) Make and enter into all contracts and agreements necessary
29 or incidental to the performance of the duties of the authority and
30 the execution of the powers of the authority under this chapter.

31 (23) Take any action necessary to implement the purpose of the
32 authority.

33 (24) Provide financial assistance, in the manner that best serves
34 the purposes set forth in section 11 of this chapter, including
35 grants and loans, to enable private enterprise to develop,
36 redevelop, and reuse military base property or otherwise enable
37 private enterprise to provide social and economic benefits to the
38 citizens of the unit.

39 (d) An authority may designate all or a portion of an economic
40 development area created under this section as an allocation area by
41 following the procedures set forth in IC 36-7-14-39 for the
42 establishment of an allocation area by a redevelopment commission.
43 The allocation provision may modify the definition of "property taxes"
44 under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the
45 depreciable personal property located and taxable on the site of
46 operations of designated taxpayers in accordance with the procedures

applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3 applies to such a modification. An allocation area established by an authority under this section is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30, 1997, and to the expanded portion of an allocation area for an economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39 apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, and except that, notwithstanding IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

(1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or benefiting that allocation area.

(2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).

(3) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(4) Reimburse any other governmental body for expenditures made by it for local public improvements or structures in or serving or benefiting that allocation area.

(5) For property taxes first due and payable before 2009, pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable

1 to the taxing district; by
 2 (B) the STEP ONE sum.
 3 STEP THREE: Multiply:
 4 (A) the STEP TWO quotient; by
 5 (B) the total amount of the taxpayer's taxes (as defined in
 6 IC 6-1.1-21-2) levied in the taxing district that have been
 7 allocated during that year to an allocation fund under this
 8 section.

9 If not all the taxpayers in an allocation area receive the credit in
 10 full, each taxpayer in the allocation area is entitled to receive the
 11 same proportion of the credit. A taxpayer may not receive a credit
 12 under this section and a credit under IC 36-7-14-39.5 (before its
 13 repeal) in the same year.

14 (6) Pay expenses incurred by the authority for local public
 15 improvements or structures that are in the allocation area or
 16 serving or benefiting the allocation area.

17 (7) Reimburse public and private entities for expenses incurred in
 18 training employees of industrial facilities that are located:

- 19 (A) in the allocation area; and
- 20 (B) on a parcel of real property that has been classified as
 21 industrial property under the rules of the department of local
 22 government finance.

23 However, the total amount of money spent for this purpose in any
 24 year may not exceed the total amount of money in the allocation
 25 fund that is attributable to property taxes paid by the industrial
 26 facilities described in clause (B). The reimbursements under this
 27 subdivision must be made within three (3) years after the date on
 28 which the investments that are the basis for the increment
 29 financing are made. The allocation fund may not be used for
 30 operating expenses of the authority.

31 (e) In addition to other methods of raising money for property
 32 acquisition, redevelopment, or economic development activities in or
 33 directly serving or benefitting an economic development area created
 34 by an authority under this section, and in anticipation of the taxes
 35 allocated under subsection (d), other revenues of the authority, or any
 36 combination of these sources, the authority may, by resolution, issue
 37 the bonds of the special taxing district in the name of the unit. Bonds
 38 issued under this section may be issued in any amount without
 39 limitation. The following apply if such a resolution is adopted:

- 40 (1) The authority shall certify a copy of the resolution authorizing
 41 the bonds to the municipal or county fiscal officer, who shall then
 42 prepare the bonds. The seal of the unit must be impressed on the
 43 bonds, or a facsimile of the seal must be printed on the bonds.
- 44 (2) The bonds must be executed by the appropriate officer of the
 45 unit and attested by the unit's fiscal officer.
- 46 (3) The bonds are exempt from taxation for all purposes.

(4) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(5) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the authority:

(A) from the tax proceeds allocated under subsection (d);

(B) from other revenues available to the authority; or

(C) from a combination of the methods stated in clauses (A) and (B).

(6) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(7) Laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers and voters to remonstrate against the issuance of bonds do not apply to bonds issued under this section.

(8) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(9) If bonds are issued under this chapter that are payable solely or in part from revenues to the authority from a project or projects, the authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority. The authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the authority that are payable solely from revenues of the authority shall contain a statement to that effect in the form of bond.

(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under section 11 of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than eleven (11) members, who must be residents of **or be employed at a place of employment located within** the unit. **The members shall be** appointed by the executive of the unit.

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

1 (h) An authority may negotiate for the sale, lease, or other
2 disposition of real and personal property without complying with the
3 provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other
4 statute governing the disposition of public property.

5 (i) Notwithstanding any other law, utility services provided within
6 an economic development area established under this section are
7 subject to regulation by the appropriate regulatory agencies unless the
8 utility service is provided by a utility that provides utility service solely
9 within the geographic boundaries of an existing or a closed military
10 installation, in which case the utility service is not subject to regulation
11 for purposes of rate making, regulation, service delivery, or issuance of
12 bonds or other forms of indebtedness. However, this exemption from
13 regulation does not apply to utility service if the service is generated,
14 treated, or produced outside the boundaries of the existing or closed
15 military installation."

16 Renumber all SECTIONS consecutively.

(Reference is to ESB 84 as printed April 10, 2009.)

Representative Cherry